

## **Non-competition clause**

The main aim of this diploma thesis is to provide complete summary on a non-competition clause as an institute of labour law. This issue is up-to-date and primarily serves for the protection of employer's information, knowledge and procedures from potential misuse by its employees. The current legislation involves some ambiguous and imprecise formulations which may cause problems within use of a non-competition clause in practise.

The first chapter is devoted to determination of fundamental legal terms in labour law which are associated with the limitation of competitive activities and non-competition clause. In the end of this chapter the definition of a limitation of competitive activities within employment and non-competition clause will be given.

The second chapter describes historical development of the legislation on non-competition clause which appeared for the first time in the Czech legislation in the half of the 19<sup>th</sup> century. Modern legislation brought ambiguous views on its re-introduction and content of a non-competition clause.

The third chapter is focused on the current legislation of a non-competition clause in Act No. 262/2006 Coll., Labour Code. Except for the amendments which have been approved since the effectiveness of new Labour Code, the main emphasis is laid on individual prerequisites for arranging of a non-competition clause. Every prerequisite is defined with the aid of judicature and possibly some notification of the imperfections, are given where contemporary crucial provisions evince.

The fourth chapter involved the description of legislation on limitation of competitive activities within the employment and non-competition clause in Great Britain. The running of this term is interpreted by the relevant judgements of English courts.

The fifth chapter is devoted to comparison of legislation of non-competition clause in Czech Republic and Great Britain. Despite the differences in the principles which make the foundations of the legal orders in both countries, the comparison is concentrated on coincident elements non-competition clause agreements and their efficiency in practise and possible recommendations for its insertion into other legislation.

In the conclusion some amendments are suggested which are needed to be approved in current legislation on non-competition clause according to the author of this diploma thesis and therefore this would help for easier use in employment relations.